DOCUMENT RESUME

ED 418 778 PS 026 284

AUTHOR	Ruggiere, Paul; Glass, James
TITLE	Texas Employer 1996 Dependent Care Survey.
INSTITUTION	Texas Work and Family Clearinghouse, Austin.; Texas Univ., Austin. School of Social Work.
SPONS AGENCY	Texas Workforce Commission, Austin.
PUB DATE	1996-10-00
NOTE	47p.
AVAILABLE FROM	Publication Center, Texas Work and Family Clearinghouse, Texas Workforce Commission, 101 East 15th Street, Room 416T, Austin, TX 78778-0001; phone: 512-936-3228; fax: 512-936-3255; World Wide Web: www.twc.state.tx.us/wrkfrcdev/wfchp.html; e-mail: wkfamily@mail.capnet.state.tx.us (single copy, free).
PUB TYPE	Reports - Research (143)
EDRS PRICE	EDRS Price MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	Adult Day Care; Dependents; Early Childhood Education; Employed Parents; Employer Attitudes; *Employer Supported Day Care; *Employers; Family Work Relationship; Flexible Working Hours; *Fringe Benefits; Grants; Job Sharing; Policy Analysis; State Surveys
IDENTIFIERS	Child Care Vouchers; Dependent Care Tax Credit; Resource and Referral Service; Subsidized Child Care Services; Telecommuting; *Texas

ABSTRACT

Many employers have enacted "family-friendly benefits" in response to demands placed on their employees by the stress of caring for children or aging parents. The Employer Dependent Care Survey measured the prevalence of flexible work arrangements and child care and elder care benefits in Texas. Participating were 1,331 out of 6,500 private sector companies answering a mail survey (22.6 percent return). Findings indicated that flextime schedules were offered by 54 percent of the largest companies (500 or more employees). Nine percent of the largest companies and less than 5 percent of others offered job sharing. Compressed work weeks were offered by 30 percent of the largest companies and by 18 percent of companies with 100 to 499 employees. Telecommuting was offered by 22 percent of the largest companies; availability of this option generally decreased as company size decreased. Flexible work arrangements were most often utilized by non-managers. Child care center benefits were offered by 7 percent of the largest companies and by less than 2 percent of others, while resource and referral services were offered by 17 percent of the largest companies and by less than 5 percent of others. Tax-sheltered spending accounts were the most common child care benefit offered and child care subsidies or vouchers, the least common. Ninety-seven percent of companies indicated that all employees were eligible for child care benefits. The biggest impact of providing child care benefits was the positive employee morale. Very few companies offered elder care benefits, with the most common benefit a tax-sheltered spending account. (KB)

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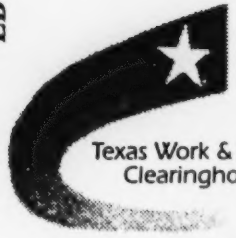

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Texas Employer
1996 Dependent Care Survey

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October 1996

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EXECUTIVE SUMMARY

Methodology

- Private-sector companies in the following categories were selected at random to participate in the study: 5 to 9 employees, 10 to 49 employees, 50 to 99 employees, 100 to 499 employees, and 500 or more employees.
- Out of 6,500 employers who were mailed a survey, 1,331 employers returned the survey for a 22.6 percent response rate.

Flexible Workplace

- Flextime schedules were offered by 54.2 percent of companies with 500 or more employees, and ranged from 28.0 percent to 39.3 percent of each other companies size category. Flextime was most common among service (58.1 percent) and health care industries (47.0 percent).
- Nine percent of the companies with 500 or more employees offered job sharing. Less than 5 percent of companies in other size categories offered job sharing.
- Compressed work weeks were offered by 30.5 percent of the companies with 500 or more employees and 17.8 percent of the companies with 100 to 499 employees. Eleven percent of the companies with 50 to 99 employees, 5.6 percent of the companies with 10 to 49 employees, and 10.5 percent of the companies with 5 to 9 employees offered compressed work weeks.
- Telecommuting was offered by 22.2 percent of the companies with 500 or more employees and generally decreased as company size decreased.
- While 57.3 percent of the companies offering flexible work arrangements made such arrangements available to all employees, they were most often utilized by non-managers.
- Twenty-four percent of the respondents reported that the scope of their flexible work place policies will increase in the future.

Child Care Benefits

- Child care center services were offered by 7.4 percent of the companies with 500 or more employees and less than two percent of companies in any other size category.
- Resource and referral services were offered by 17.2 percent of the companies with 500 or more employees and fewer than 5 percent of any other company size category. Of those companies that offered resource and referral services, 32.1 percent produced these programs in-house and 55 percent contracted services outside the company; 12.1 percent used both in combination.
- Tax-sheltered spending accounts were the most common child care benefit offered to employees (53.2 percent of the companies with 500 or more employees to 3.7 percent of companies with 5 to 9 employees).

- The least common benefit was a subsidy or voucher for child care. Subsidies and vouchers were offered by 5.4 percent of the companies with 500 or more employees and 1 percent or less of companies in any other size category.
- Ninety-seven percent of the companies responded that all employees were eligible for child care benefits.
- The biggest impact of providing child care benefits was reported to be a favorable impact on employee morale of those who use the program (59.0 percent of those responding agreed with this statement).
- Nearly 13 percent of the respondents expected that the scope and availability of child care benefits will increase in their companies in the future. Twenty-seven percent of the companies with 500 or more employees expected an increase in child care benefits.

Elder Care Benefits

- Very few companies offered elder care benefits to their employees.
- The most common elder care benefit was a tax-sheltered spending account (6.0 percent of all companies in the sample).
- Resource and referral services were offered by 3.8 percent of the companies in the sample.
- One percent of the companies offered long-term care insurance, and less than 1 percent offered any type of elder care center services, vouchers or subsidies.
- Only 7.4 percent of the companies expected to increase the scope of their elder care policies.

I. INTRODUCTION

Background

With an increase in dual earner couples and single parent families over the last few decades, employers are becoming increasingly aware of the challenges their employees face. Managing the demands of their families and employers, many employees must deal with the stress of caring for dependents while satisfactorily performing their jobs. Caring for children or aging parents has been shown to take away from the productive time on the job.

Many employers have responded to these conditions by offering a range of "family-friendly benefits." These benefits fall under three categories: flexible work arrangements, child care benefits and elder care benefits. Flexible work arrangements allow employees to work non-traditional hours and schedules or to work from home. Child care benefits can include subsidized child care (on-site or off-site) or a range of other child-care-related benefits. Elder care policies are targeted toward employees who must care for their aging parents and include a range of benefits similar to child care benefits.

While a number of national studies have been conducted to measure the prevalence of family-friendly benefits, no comprehensive systematic study has measured the prevalence of family-friendly benefits among private-sector companies in the state of Texas. In order to determine the current status of Texas private-sector companies' family-friendly policies, the Texas Work and Family Clearinghouse (TWFCH) contracted with the Survey Research Center (SRC) at the University of North Texas to conduct a comprehensive study addressing this question.

The study includes a survey of Texas private sector employers designed to gather information on benefits, focus groups of Texas employees to determine how employees perceive and evaluate the dependent care programs available to them, and case studies of selected companies to provide detailed information on dependent care program development, organization, services, and problems. This report presents the results of the Employer Dependent Care Survey. The focus group and case study results will be presented in subsequent reports.

Survey Objectives

The Employer Dependent Care Survey was designed as a benchmark by which changes in Texas employers' dependent care benefits could be measured over time. The objectives of the study were to measure:

- the prevalence of flexible work arrangements such as flextime, job sharing, compressed work-weeks and telecommuting;

- the prevalence of child care benefits such as subsidized child care centers, child care voucher/subsidy programs, resource and referral services, tax-sheltered spending accounts, and parental leave policies;

- the prevalence of elder care benefits such as subsidized elder care centers, elder care voucher/subsidy programs, resource and referral services, tax-sheltered spending accounts, and long-term care insurance for employees' parents;

- the perceived impact of these programs on personnel outcomes;

- the differences in benefits offered by employers of different sizes and different industries, and;

- the future direction of family-friendly benefits.

II. METHODOLOGY

Sampling Frame

Conceptual Framework

The conceptual population for this survey was all private sector employers with 5 or more employees that do business in the state of Texas. Since one objective of the study was to compare differences between companies employing varying numbers of employees, the sample was stratified by five employer size categories. The employer sizes included in the sample were 5 to 9 employees, 10 to 49 employees, 50 to 99 employees, 100 to 499 employees and 500 or more employees.

The size categories included in the study were selected to provide for adequate sampling and differentiation between small, medium and large employers. Based on an estimated 20 percent response rate, a sample of 1300 employers was drawn for each employer size category (see Table 1).

Table 1: Sampling Frame for Employer Selection

Employer Size	Desired Sample Size	Sample Drawn Calculated on 20 Percent Response Rate
5 to 9	260	1300
10 to 49	260	1300
50 to 99	260	1300
100 to 499	260	1300
500 or more	260	1300
Total	1300	6500

Database Procedures

In order to compile a list of 6500 employers, SRC in conjunction with GENESYS Sampling Systems® utilized multiple resources to define the population. A data base containing all businesses listed in Yellow Pages directories from all Texas cities was supplemented with Standard & Poor's Business Directory and other professional business association listings. From this list, a total population of 169,072 business listings was compiled.

This list was then reduced by limiting the sampling frame to headquarters, thus eliminating branches and subsidiaries. In some employer size categories, the remaining employers were not enough to fulfill the preferred sample of 1300. In these cases, the remainder of the sample was filled with employers from that size category whose headquarters status was "unknown."

Questionnaire Development

The questionnaire used for this study was developed in conjunction with SRC, TWFCH staff and board members, and other knowledgeable industry representatives. After an extensive literature review, SRC staff prepared a draft questionnaire structured to meet the study's objectives. TWFCH staff and board members provided additional issues to be measured. SRC incorporated these issues into the instrument design. Several revisions were made and commented upon by TWFCH until a final instrument was prepared and approved.

Since it was important that the results reflected in this survey could be generalized to all Texas private-sector employers, the instrument was designed to provide maximum response rate. Respondents whose companies offered few or none of the benefits could get through the survey in one or two minutes. Respondents whose companies offered benefits were asked detailed questions about the benefits. A copy of the survey is available in Appendix A.

Data Collection

Mail Out

The first wave of the survey was mailed to all 6,500 respondents in late April. Two weeks later a follow-up post card was mailed to all respondents requesting that they complete and return the survey. Two weeks after the follow-up card, a second survey was sent to those respondents who had not responded.

Sample

A total of 1,331 completed surveys were received. At the aggregate level, 1,331 completed surveys yields a margin of error of ± 2.7 percent at the 95 percent confidence level. This means that 95 out of 100 samples similar to this one will reflect the population within ± 2.7 percent. For example, if the results of the survey show that 20 percent of the sample provides child care subsidies, the percentage of all Texas companies that offer child care subsidies is somewhere between 17.3 and 22.7 percent. The margin of error is slightly higher when examined by each employer size category.

Table 2: Sample by Company Size

Employer Size	Actual Sample	Surveys Sent*	Response Rate	Margin of Error
5 to 9	191	1,144	16.7%	±7.1%
10 to 49	412	1,207	34.1%	±4.8%
50 to 99	261	1,181	22.1%	±6.0%
100 to 499	264	1,132	23.3%	±5.9%
500 or more	203	1,214	16.7%	±6.3%
Total	1,331	5,878	22.6%	±2.7%

III. SAMPLE CHARACTERISTICS

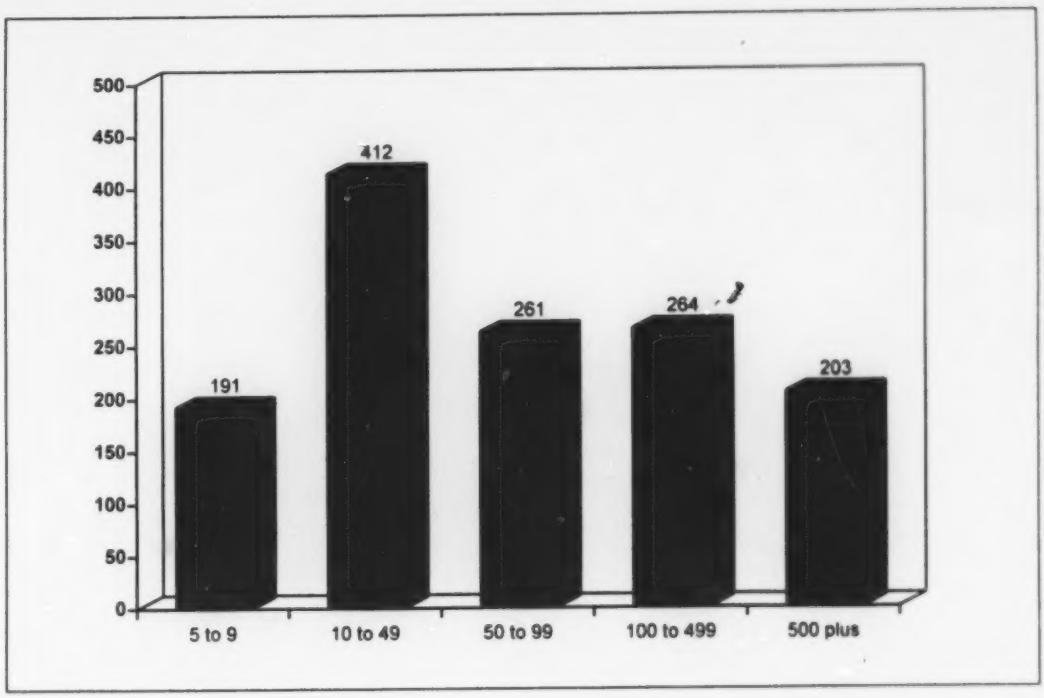
Number of Employees Within Company

The surveys received provided an adequate sample for each of the company sizes targeted. As shown in Figure 1, the fewest number of responses (191) were received for the 5 to 9 group. It is also possible that these companies have grown since the mailing list was published--accounting for a larger sample in the 10 to 49 category (412).

The 50 to 99, 100 to 499 and 500 plus categories were also well represented in the sample (261, 264, and 203, respectively).

Figure 1: Number of Companies in Each Size Category

* The number of surveys sent was adjusted by subtracting for the mail returned to SRC as undeliverable due to bad address, a forwarding order that had expired, etc.

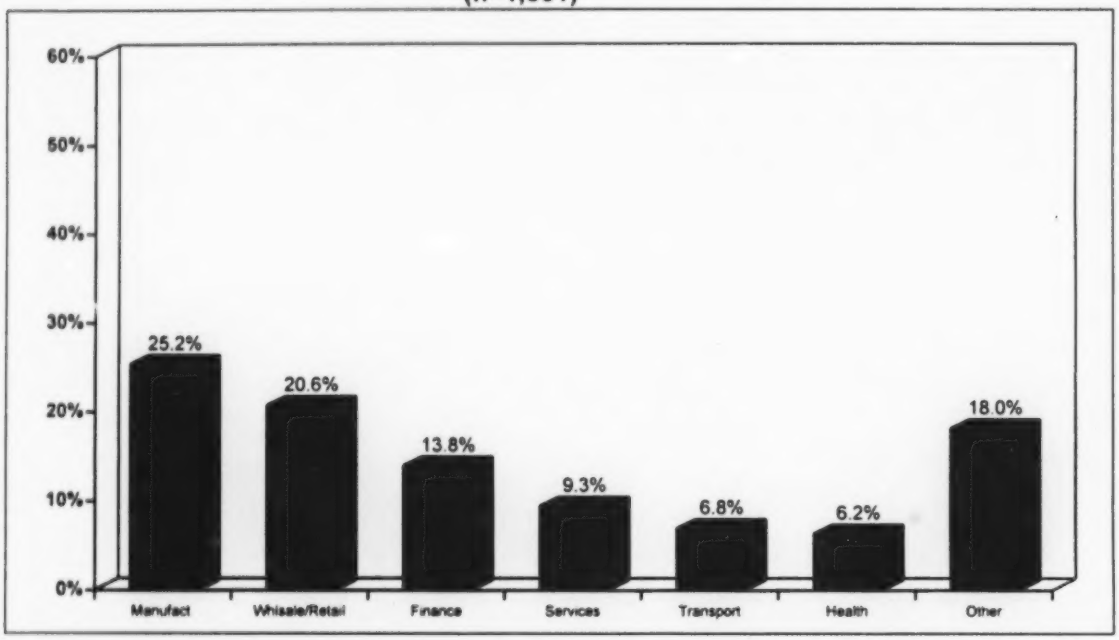

500
450
400
350
300
250
200
150
100
50
0
191
412
261
264
203
5 to 9
10 to 49
50 to 99
100 to 499
500 plus

Industry

The industry classifications are based upon the Standard Industrial Classification (SIC) codes contained on the sample data file which were used to produce the following industry groups. Companies within the manufacturing industry comprised the largest portion of the sample (25.2 percent) as Figure 2 shows. The wholesale and retail industry (20.6 percent) was the next largest portion.

The finance industry, which includes banking companies, securities and commodities brokers, insurance agents and brokers, and real estate companies, comprised 13.8 percent of the sample.

Figure 2: Sample Breakdown Based on Industry SIC Code (n=1,331)

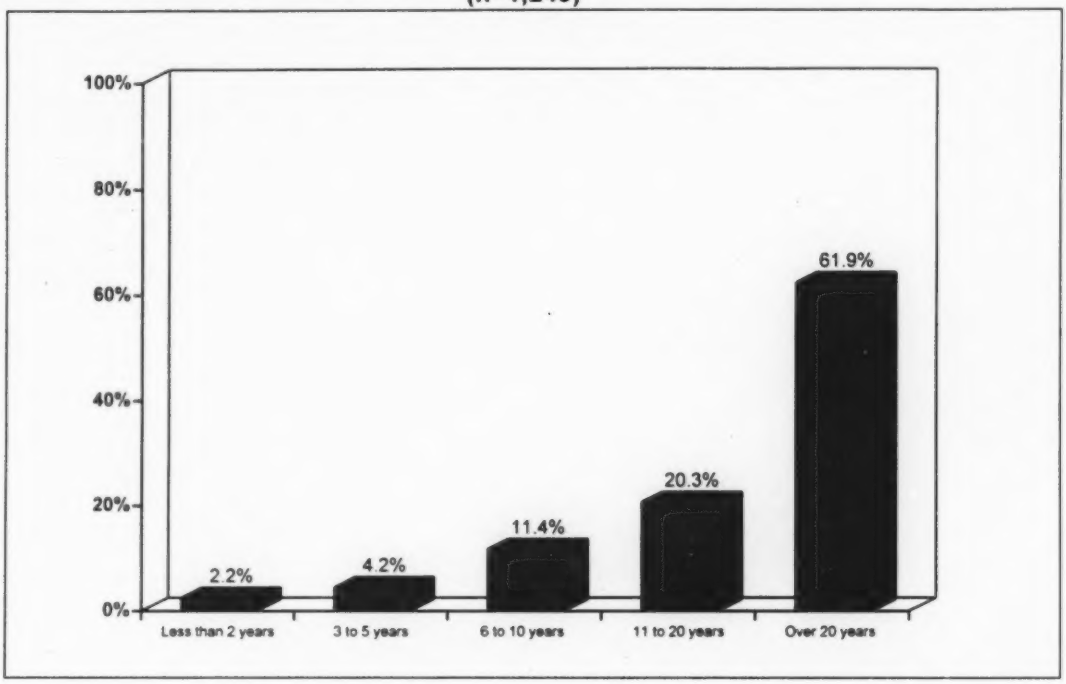


Less than 10 percent of the sample was comprised of service industries (9.3 percent). This category included most services except for those such as social services and membership organizations--which are non-profit organizations--and health care services--which comprised its own category. The transportation industry comprised 6.8 percent of the sample. Trucking and warehousing, communications, air transportation and other transportation services were included in this industry classification. Six percent of the sample was comprised of the health services industry. All remaining industries were combined into the "other" classification including agriculture, mining and construction.

Number of Years Company Has Been In Business

Most of the companies responding to the survey (61.9 percent) had been in business for over 20 years (see Figure 3). Twenty percent of the companies have been in business for 11 to 20 years, and 17.8 percent had been in business for 10 years or less.

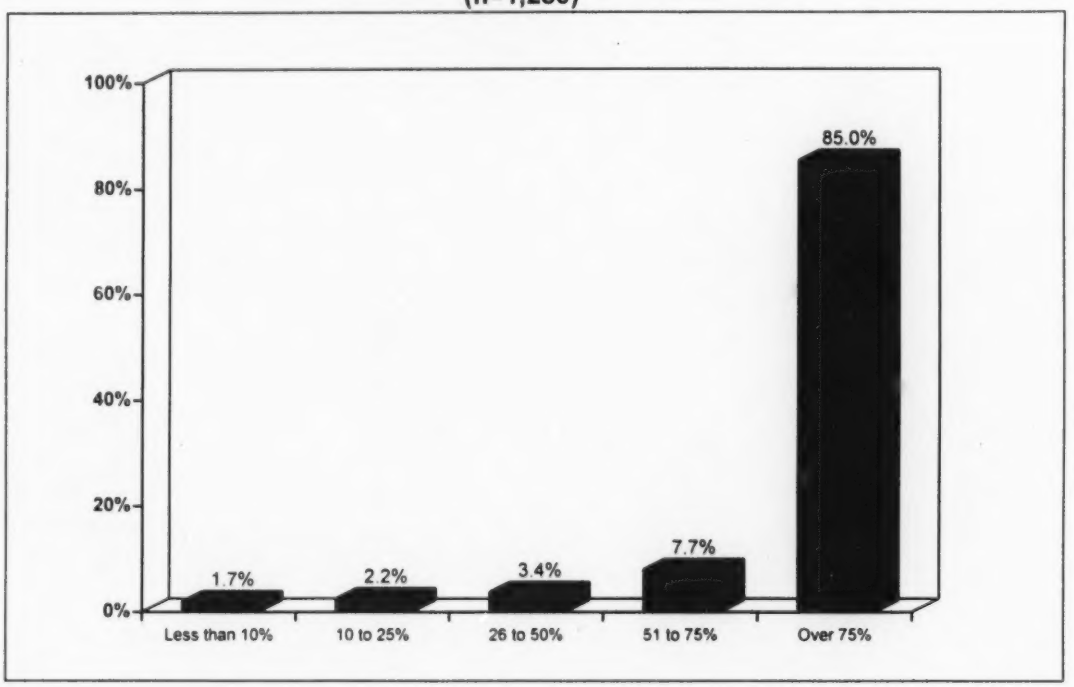
Figure 3: Number of Years Company Has Been in Business (n=1,249)



Percentage of Full-Time Employees

Eighty-five percent of the companies surveyed reported that 75 percent of their work force is employed full-time (see Figure 4). Only eight percent of the companies reported that 51 to 75 percent of their work force is employed full time, and less than 5 percent of the companies reported that they have less than 51 percent full-time employees.

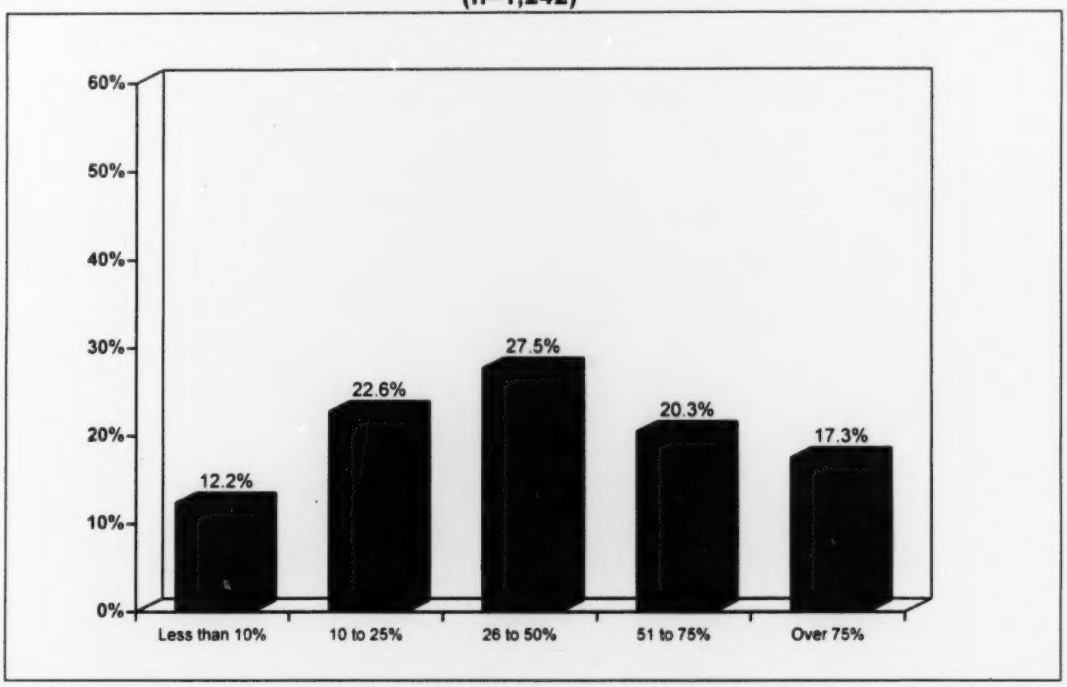
Figure 4: Percentage of Full-Time Employees (n=1,280)



Percentage of Female Employees

As shown in Figure 5, 27.5 percent of the companies had 26 to 50 percent female employees; 37.6 percent reported having more than 50 percent female, and 34.8 percent reported having less than 25 percent female employees.

Figure 5: Percentage of Female Employees Workforce (n=1,242)

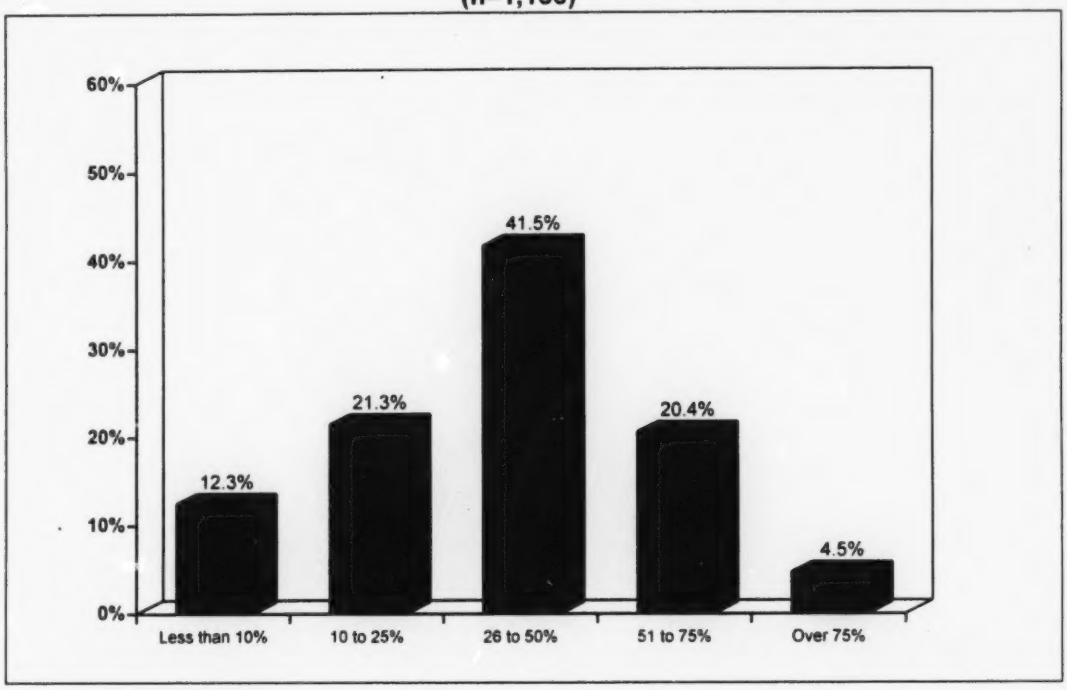


Women were more likely to comprise over 75 percent of the employees within a company in the health care industry (68.3 percent of the companies reporting) and the finance industry (50.0 percent of the companies reporting).

Percentage of Employees With Children Under 18 at Home

As shown in Figure 6, 41.5 percent of the companies reported that 26 to 50 percent of their employees have children under 18 at home. Twenty-one percent of the companies reported that 10 to 25 percent of their employees have children under 18 at home, and 20.4 percent of the companies reported 51 to 75 percent of their employees have children at home.

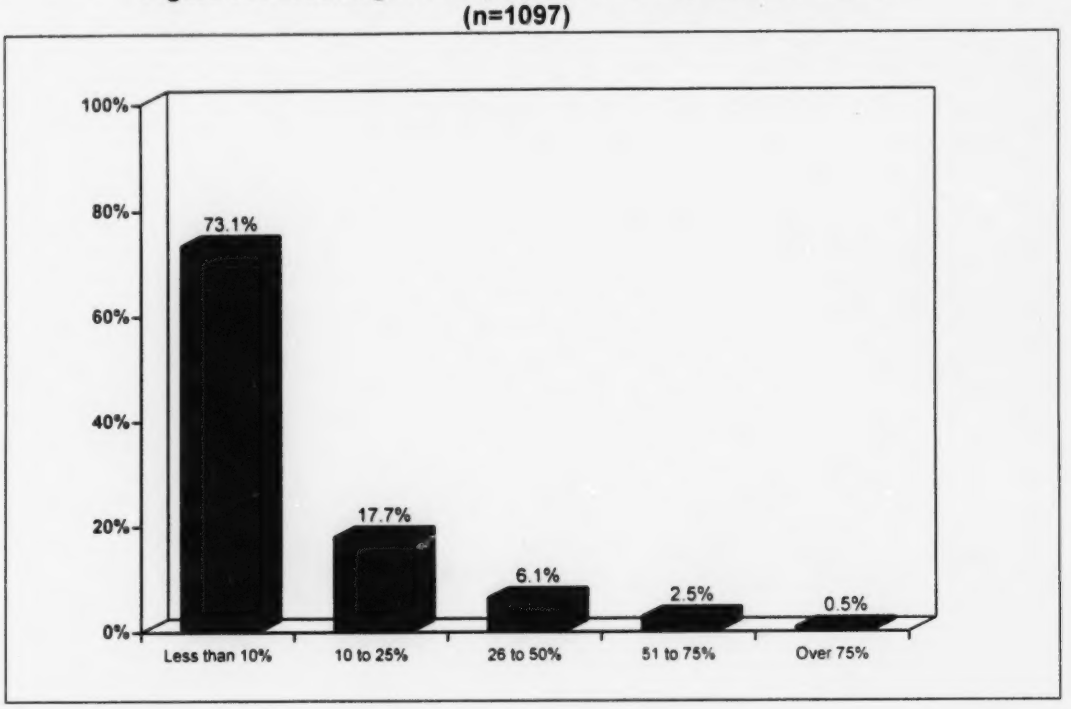
Figure 6: Percentage of Employees With Children Under 18 at Home (n=1,156)



Percentage of Employees With Dependent Parents

Seventy-three percent of the employers reported that less than 10 percent of their employees have dependent parents (see Figure 7). Eighteen percent reported that 10 to 25 percent of their employees have dependent parents, and approximately 10 percent of the employers reported that 26 percent or more of their employees have dependent parents.

Figure 7: Percentage of Employees With Dependent Parents (n=1097)



Respondent Characteristics

In most cases (45.0 percent), the survey was answered by Human Resource (HR) professionals (see Table 3). Thirty-two percent of the respondents were HR Managers; 9.8 percent were HR Vice Presidents, and 2.8 percent were other types of HR professionals.

Table 3: Position of respondent (n=1,286)

Position	Percentage
Human resources manager	32.4
Human resources vice president	9.8
Human resources, other	2.8
Management, other	22.2
President or owner	15.0
Administrative assistant	11.3
Administrative, other	4.9
Professional, other	1.6

Twenty-two percent of the respondents were some other type of company manager, and 15.0 percent of the respondents were either the president or owner. A smaller percentage of surveys were filled out by administrative assistants (11.3 percent), other administrative personnel (4.9 percent) or other professionals (1.6 percent).

As shown in Table 4, 23.6 percent of the respondents had worked for the company for 11 to 20 years, and 16.2 percent had worked for the company for over 20 years. The remaining 39.7 percent had been employed for 5 years or less.

Table 4: Length of Employment of Respondent (n=1,129)

Length	Percentage
Less than 1 year	7.9
1 to 2 years	11.9
3 to 5 years	19.9
6 to 10 years	20.6
11 to 20 years	23.6
Over 20 years	16.2

IV. FINDINGS: FLEXIBLE WORK ARRANGEMENTS

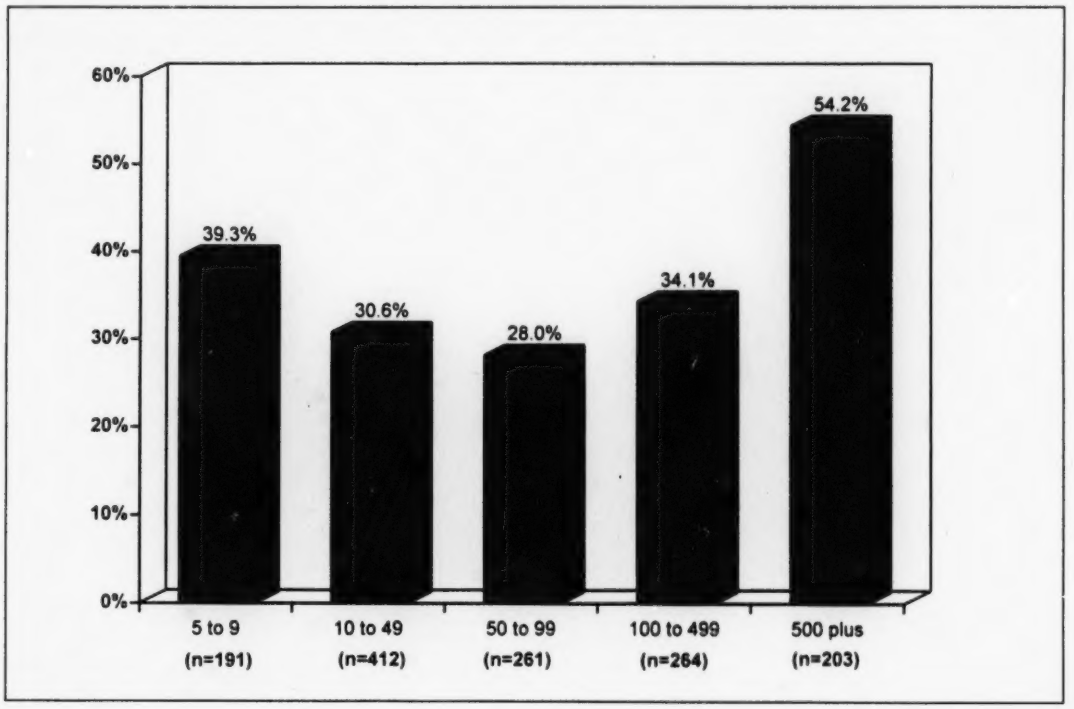
Respondents were asked several questions regarding the availability of flexible work arrangements. Such arrangements include flextime, job sharing, compressed work-weeks and telecommuting. While these arrangements may not offer direct dependent care benefits, they can facilitate dependent care activities by allowing employees to schedule their own time. The results of these questions are presented in this section.

Flextime

"Flextime" refers to a work schedule that permits flexible starting and quitting times, but requires a standard number of hours to be worked. As shown in Figure 8, this work option appeared to be most available to employees who work for large companies.

Fifty-four percent of the companies with 500 or more employees reported they offer flextime for their employees. This compared to 39.3 percent of the companies with 5 to 9 employees, 34.1 percent of the companies with 100 to 499 employees, 30.6 percent of the companies with 10 to 49 employees, and 28.0 percent of the companies with 50 to 99 employees.

Figure 8: Percentage of Companies That Offer Flextime



Not only did differences between company sizes exist regarding flextime, differences also existed between different industry groups (see Table 5). Flextime was most common among service (58.1 percent) and health care industries (47.0 percent) and less common in the transportation (36.3 percent), manufacturing (29.0 percent), wholesale/retail (28.5 percent), and finance industries (28.3 percent).

Table 5: Flextime Benefits by Industry

Industry	Percentage Yes
Manufacturing (n=335)	29.0
Wholesale/retail (n=274)	28.5
Finance (n=184)	28.3
Services (n=124)	58.1
Health care (n=83)	47.0
Transportation (n=91)	36.3
Other (n=240)	42.9

Overall, most of the companies (77.4 percent) offering flextime had an informal policy on this benefit, with 19.8 percent having formal program. As shown in Table 6, the larger companies are more likely to have a formal program.

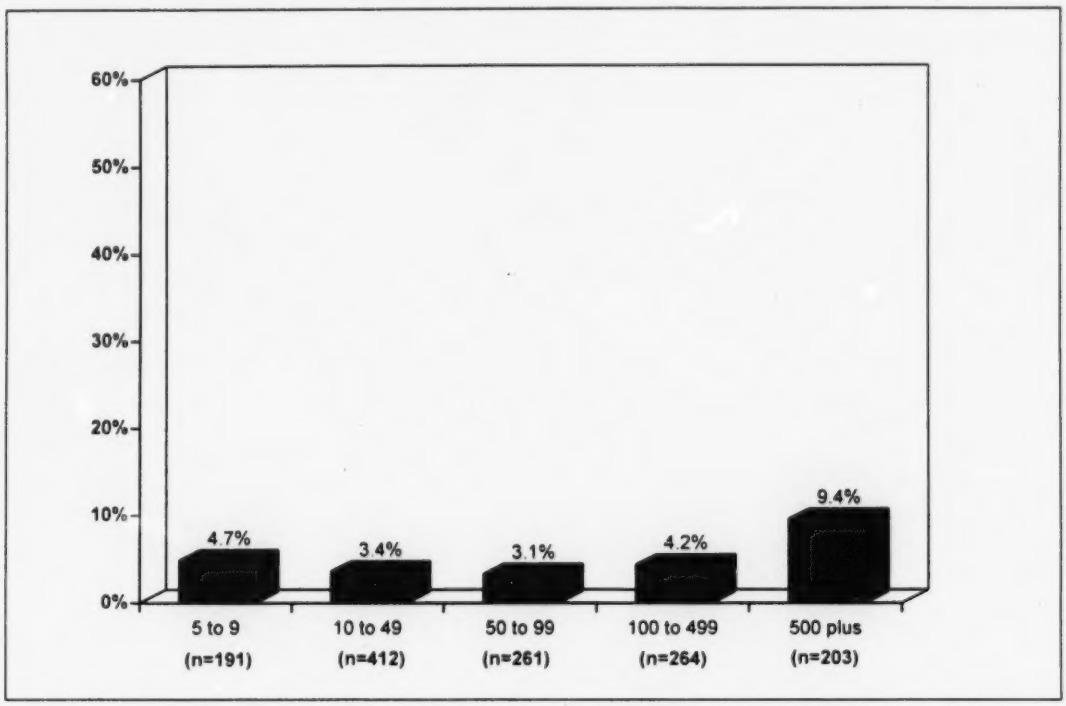
Table 6: Formality of Flextime by Company Size

Company Size	Formal	Informal	Pilot Program
5 to 9 (n=76)	10.5	86.8	2.6
10 to 49 (n=123)	8.9	88.6	2.4
50 to 99 (n=72)	23.6	73.6	2.8
100 to 499 (n=86)	20.9	76.7	2.3
500 plus (n=108)	35.2	61.1	3.7

Job Sharing

Job sharing is a flexible benefit where two or more people voluntarily share the responsibilities of one full-time position and prorate the salary and benefits. As shown in Figure 9, job sharing was generally not offered by many companies. Only 9.4 percent of the companies with 500 or more employees offered job sharing, and less than five percent of each of the other company size categories offered job sharing to its employees.

Figure 9: Percentage of Companies That Offer Job Sharing



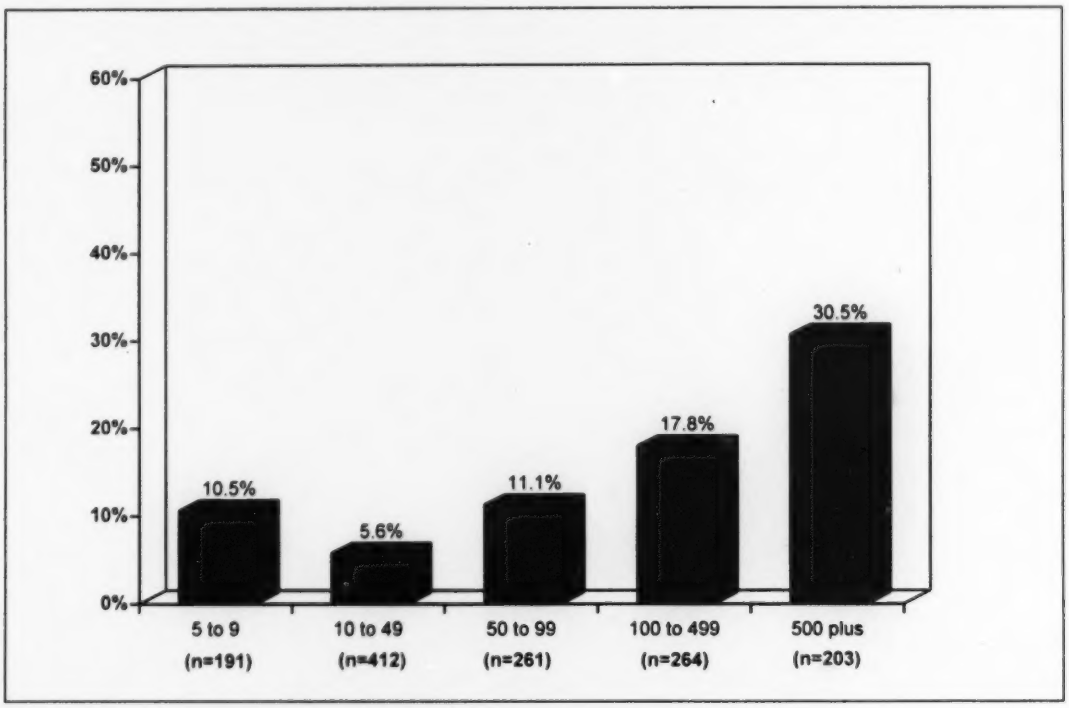
Of those companies that offered job sharing, 29.5 percent had a formal program, and 62.3 percent had an informal program. Eight percent of the companies offered this benefit as a pilot program.

Compressed Work-Weeks

Compressed work weeks refer to a work schedule that completes a 40-hour work week in fewer than 5 days per week. For example, some companies will allow their employees to work four 10-hour shifts in one week instead of five 8-hour shifts.

Generally, the larger the company, the more likely it was to offer compressed work weeks (see Figure 10). Thirty-one percent of the companies with 500 or more employees reported that they offer a compressed work schedule. This compared to 17.8 percent of the companies with 100 to 499 employees, 11.1 percent of the companies with 50 to 99 employees, 10.5 percent of the companies with 5 to 9 employees, and 5.6 percent of the companies with 10 to 49 employees.

Figure 10: Percentage of Companies That Offered Compressed Work Weeks



As shown in Table 7, this type of work arrangement was most common in the health care industry (25.3 percent). The transportation (15.4 percent) and services industries (14.5 percent) were next, and 13.4 percent of the manufacturing industry also offered compressed work weeks. A smaller percentage of wholesale/retail (10.9 percent) and finance industries (9.2 percent) offered compressed work weeks.

Table 7: Percentage of Industries That Offer Compressed Work Weeks

Industry	Percentage Yes
Manufacturing (n=335)	13.4
Wholesale/retail (n=274)	10.9
Finance (n=184)	9.2
Services (n=124)	14.5
Health care (n=83)	25.3
Transportation (n=91)	15.4
Other (n=240)	15.0

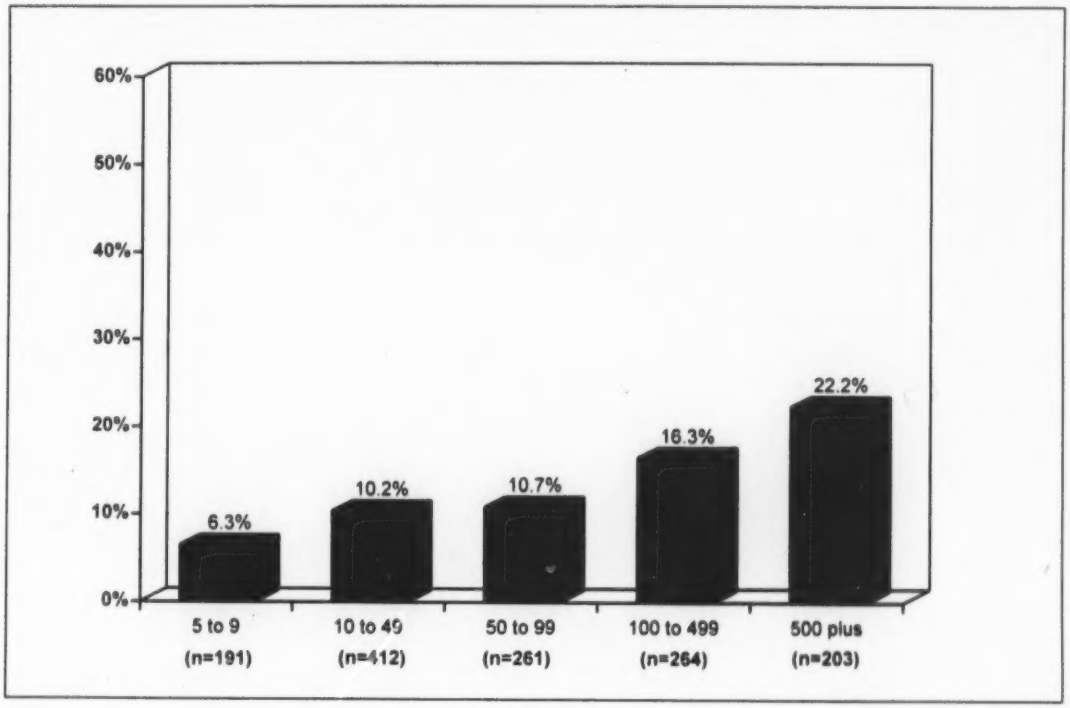
Of the companies that did offer this arrangement, 45.7 percent reported that they have a formal policy, and 41.6 percent reported an informal policy. Thirteen percent had a pilot program in place.

Telecommuting

Telecommuting refers to employees who regularly work off-site, often from home, and may or may not be linked to the company through computer.

Twenty-two percent of the companies with 500 or more employees offered this work arrangement for their employees (see Figure 11). Sixteen percent of the companies with 100 to 499 employees, 10.7 percent of the companies with 50 to 99 employees, 10.2 percent of the companies with 10 to 49 employees, and 6.3 percent of the companies with 5 to 9 employees offered telecommuting.

Figure 11: Percentage of Companies That Offer Telecommuting



As shown in Table 8, these policies were more common among service industries (18.5 percent) and "other" industries (18.3 percent). Telecommuting was less common among the finance (6.0 percent), health care (10.8 percent), manufacturing (11.3 percent) and wholesale/retail industries (11.7 percent).

Table 8: Percentage of Industries That Offer Telecommuting

Industry	Percentage Yes
Manufacturing (n=335)	11.3
Wholesale/retail (n=274)	11.7
Finance (n=184)	6.0
Services (n=124)	18.5
Health care (n=83)	10.8
Transportation (n=91)	14.3
Other (n=240)	18.3

Of those companies that reported to have this arrangement, 17.2 percent had a formal arrangement, and 74.2 percent reported an informal arrangement. Nine percent of the companies had a pilot program in place.

Flexible Work Arrangement Eligibility

As shown in Table 9, 57.3 percent of the companies offering flexible work arrangements offered such arrangements to all employees. Twenty-five percent offered flexible work arrangements for non-managers only or mostly for non-managers. Seventeen percent offered these arrangements only for managers or mostly for managers.

Although 38.6 percent of the companies reported that all employee levels are currently participating in flexible work arrangements, they are utilized by more non-managers than managers. Forty percent of the companies reported that only non-managers or mostly non-managers are currently participating in flexible work arrangements, compared to 18.1 percent of the companies that reported only managers or mostly managers are currently participating in flexible work arrangements.

Table 9: Employee Levels Eligible for and Currently Participating in Flexible Work Arrangements

Employee Levels	Eligible to Participate in Flexible Work Arrangements (n=553)	Currently Participating in Flexible Work Arrangements (n=544)
All employee levels	57.3	38.6
Mostly managers with some non-managers	11.6	11.8
Only managers	5.2	6.3
Mostly non-managers with some managers	12.3	18.4
Only non-managers	13.0	21.7
Currently none	0.5	3.3

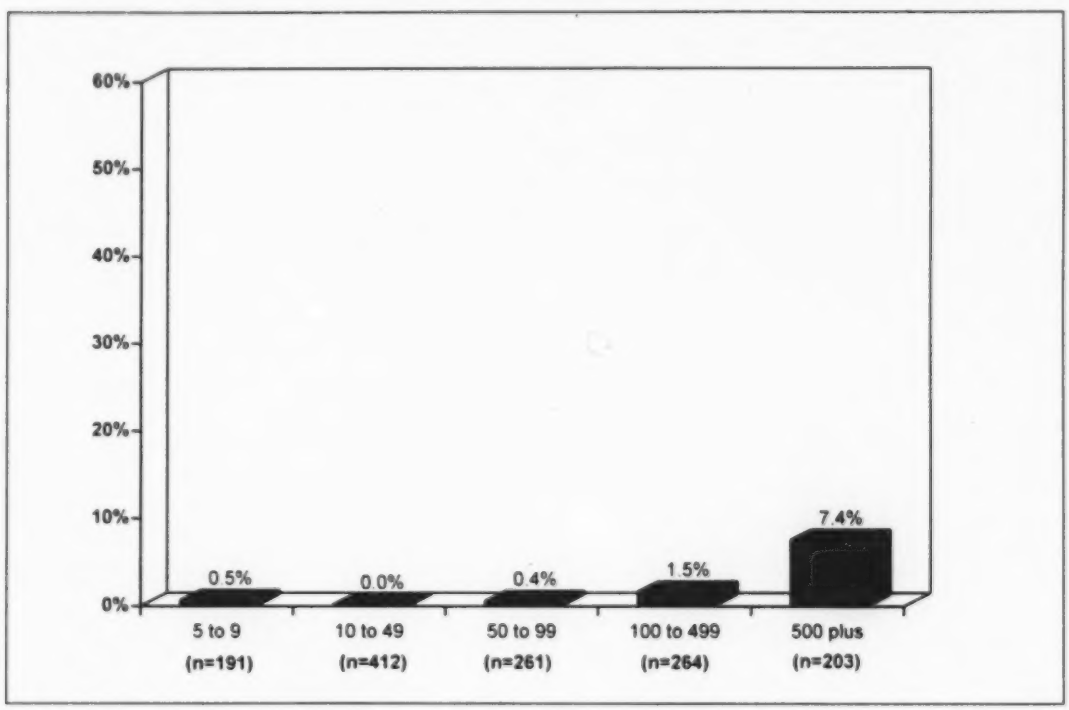
V. FINDINGS: CHILD CARE BENEFITS

The following section details the findings from several questions regarding child care benefits. These benefits included child care centers and related services, parental leave and other benefits. The impact of these benefits on personnel outcomes and the employee types who are eligible to use child care benefits is also presented.

Child Care Center Services

As shown in Figure 12, child care center services are not commonly found. Only 7.4 percent of the companies with 500 or more employees reported that they offered child care center services. Less than two percent of all other companies reported offering such services.

Figure 12: Percentage of Companies Offering Child Care Services



The 21 companies that offer child care services were asked to detail the scope of those services (see Table 10). The most common child care service was employer arranged discounts with local child care providers (15 companies) followed by subsidized on-site or near site centers. Non-subsidized on-site or near-site centers, sick child care programs, and after school care were each offered by two companies. Only one company offered benefits for subsidized consortium center.

Table 10: Types of Child Care Services Offered
(n=21)

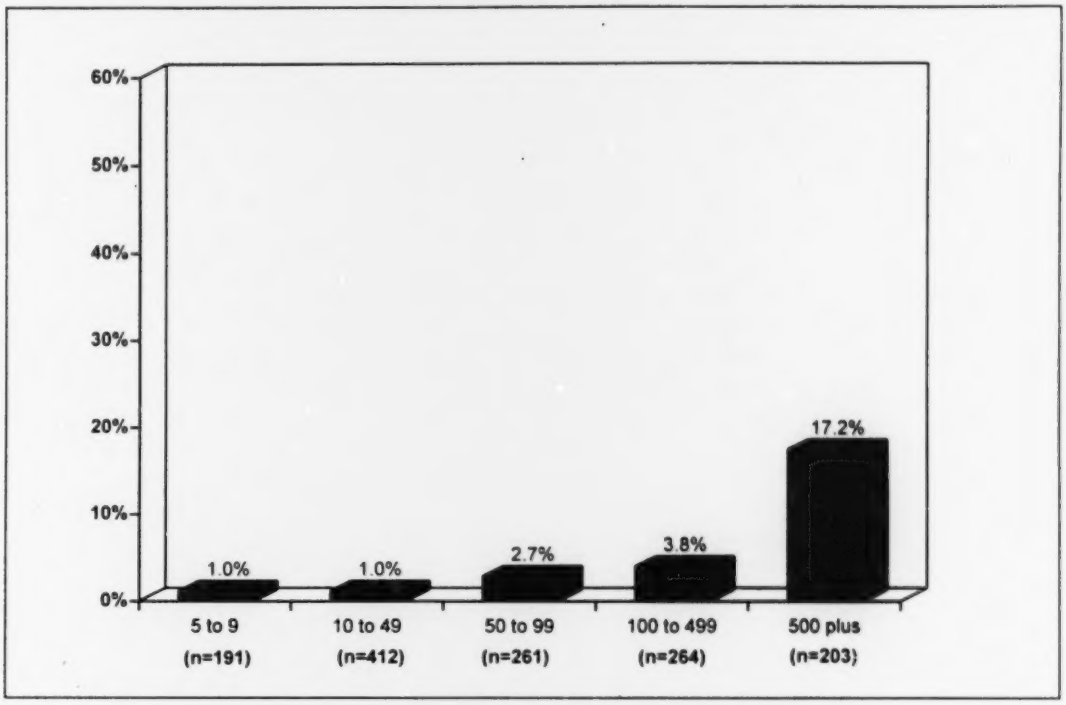
Child Care Service	Number Responding*
Employer-arranged discounts with local child care providers	15
Subsidized on-site or near-site center	3
Non-subsidized on-site or near-site center	2
Sick child-care program	2
Subsidized on-site or off-site after school care	2
Subsidized consortium center	1
Other subsidized center	0

* Since respondents could give more than one response, "number responding" is greater than 21.

Resource and Referral Services

Resource and referral services--where employees are given assistance in locating qualified care to meet their needs--were offered by 17.2 percent of the companies with 500 or more employees (see Figure 13). Less than five percent of each other company size category offered this service.

Figure 13: Percentage of Companies Offering Resource and Referral Services

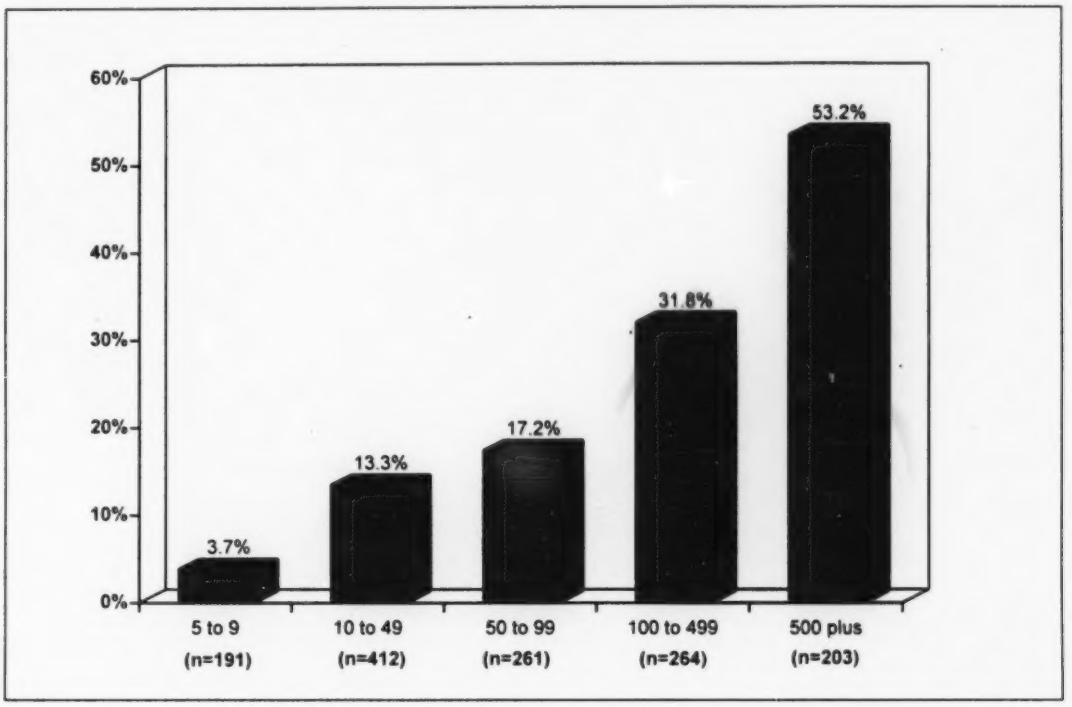


Of those companies that offered resource and referral services, 32.1 percent produced the programs in-house. Fifty-five percent contracted services outside the company, and 12.1 percent used some type of combination between in-house services and outside contractors.

Tax-Sheltered Child Care Spending Accounts

Tax-sheltered child care spending accounts were the most common benefit offered. Fifty-three percent of the companies with 500 or more employees offered tax-sheltered child care spending accounts for their employees (see Figure 14). This compared to 31.8 percent of the companies with 100 to 499 employees, 17.2 percent of the companies with 50 to 99 employees, 13.3 percent of the companies with 10 to 49 employees, and 3.7 percent of the companies with 5 to 9 employees.

Figure 14: Percentage of Companies Offering Tax-Sheltered Child Care Spending Accounts



As shown in Table 11, tax-sheltered spending accounts were more common in the services (31.5 percent), finance (28.8 percent), manufacturing (28.4 percent), and transportation industries (27.5 percent). Notably, the wholesale/retail industry had the lowest percentage of companies offering this benefit (12.4 percent). The health care industries (15.7 percent) and "other" industry (16.7 percent) also had lower percentages.

Table 11: Percentage of Industries Offering Tax-Sheltered Child Care Spending Accounts

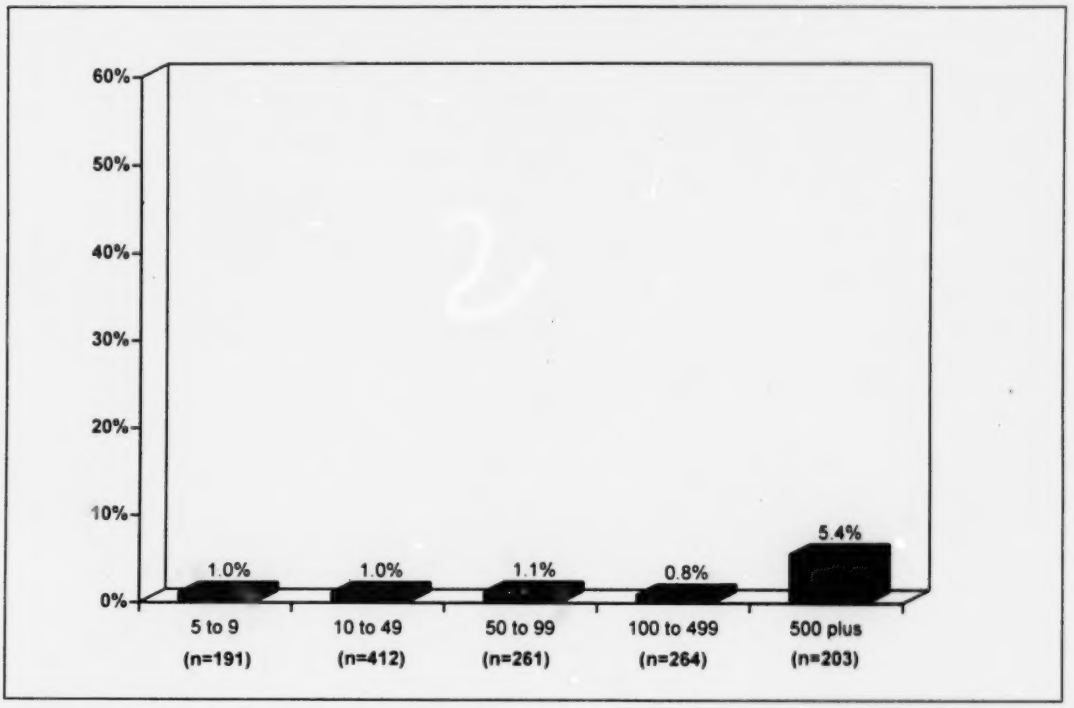
Industry	Percentage Yes
Manufacturing (n=335)	28.4
Wholesale/retail (n=274)	12.4
Finance (n=184)	28.8
Services (n=124)	31.5
Health care (n=83)	15.7
Transportation (n=91)	27.5
Other (n=240)	16.7

Of the companies that offer tax-sheltered spending accounts, 2.4 percent matched employee contributions to those accounts. Seventy-seven percent of the companies that offer these accounts reported that $5,000 is the maximum employee contribution permitted.

Child Care Vouchers and Subsidy Programs

Only 5.4 percent of the companies with 500 or more employees offered child care vouchers or subsidy programs to their employees (see Figure 15). The remaining company size categories each had approximately 1 percent that offered this benefit.

Figure 15: Percentage of Companies Offering Child Care Vouchers or Subsidies



Of the 7 companies that provided the following information, the amount of their child care vouchers or subsidies ranged from $100 to $600 a month.

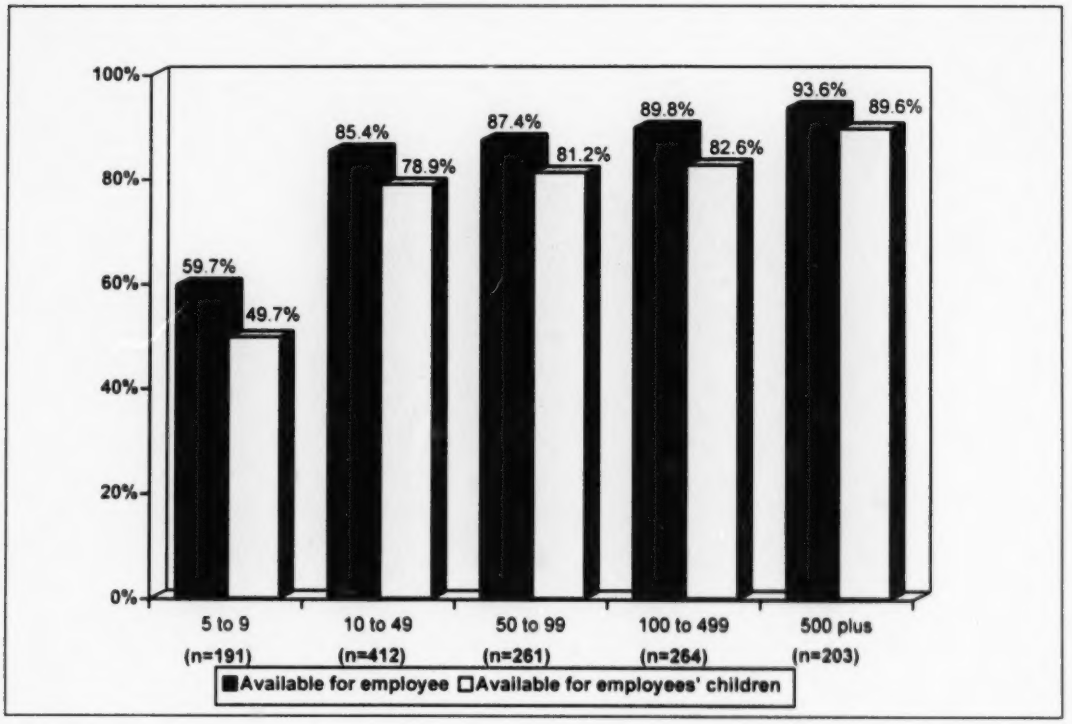
Health Insurance for Employees and Children

Most of the companies in the sample offered health care insurance for their employees and their employees' children, although the percentage of companies offering insurance generally declines with company size (see Figure 16).

Ninety-four percent of the companies with 500 or more employees, 89.8 percent of the companies with 100 to 499 employees, 87.4 percent of the companies with 50 to 99 employees, and 85.4 percent of the companies with 10 to 49 employees offered health insurance to their employees. A smaller percentage of companies with 5 to 9 employees offered health insurance (59.7 percent).

In each company size category, a smaller percentage companies offered health insurance for their employees' children (whether it is paid for by employee or company). Generally, the gap between insurance for employees and insurance for employee's children ranges from a 4 percent to 10 percent difference.

Figure 16: Percentage of Companies Offering Health Insurance for Employees and Their Children.

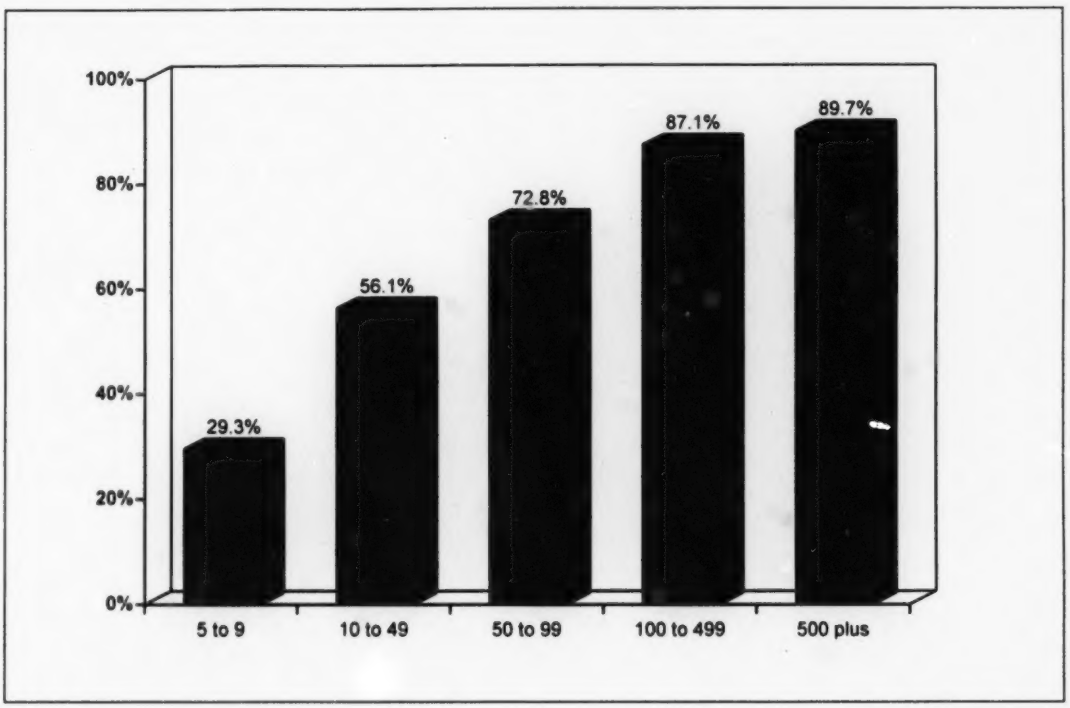


Parental Leave

Parental leave, as might be expected, was most prevalent within larger companies (see Figure 17). Nearly 90 percent of the companies with 500 or more employees reported that they offer parental leave. This compared to 87.1 percent of the companies with 100 to 499 employees, 72.8 percent of the companies with 50 to 99 employees, 56.1 percent of the companies with 10 to 49 employees, and 29.3 percent of the companies with 5 to 9 employees.

Seventy-eight percent of the companies that provide parental leave did so for men as well as women. Additionally, 80.3 percent of those that provide leave for parents do so for both natural child birth and adoption.

Figure 17: Percentage of Companies Offering Parental Leave



Child Care Benefit Eligibility

Although 97.2 percent of the companies offered child care benefits to all employees, only 71.9 percent indicated that all employee levels are currently participating in child care benefits (see Table 12). Eleven percent of the companies reported that only non-managers or mostly non-managers are currently participating in child care benefits. This compared to 9.1 percent of the companies that reported only managers or mostly managers are currently participating in child care benefits.

Table 12: Employee Levels Eligible For and Currently Participating in Child Care Benefit Programs

Employee Levels	Eligible for Child Care Programs (n=332)	Currently Participating in Child Care Programs (n=317)
All employee levels	97.2	71.9
Mostly managers with some non-managers	0.6	6.3
Only managers	0.9	2.8
Mostly non-managers with some managers	0.0	6.0
Only non-managers	0.3	5.0
Currently none	0.9	7.9

Impact of Child Care Benefits

As shown in Table 13, when respondents were asked to rate the impact of child care benefits on a series of factors, the highest scores were given to "favorable morale for those using the program." On a scale of 1 to 5, where 1 is strongly disagree and 5 is strongly agree, respondents scored an average of 3.63 on this question.

Respondents also agreed that there was a high rate of use among employees who are eligible to use the program (3.22). "Favorable morale for program users' co-workers" had an average score of 3.18.

"Higher productivity among employees using the program" had an average score of 3.15. This rating also had the largest percentage "neutral" responses (70.0 percent). "Decrease in turnover" had an average score of 3.10, and "a decrease in absenteeism" had and average score of 3.00.

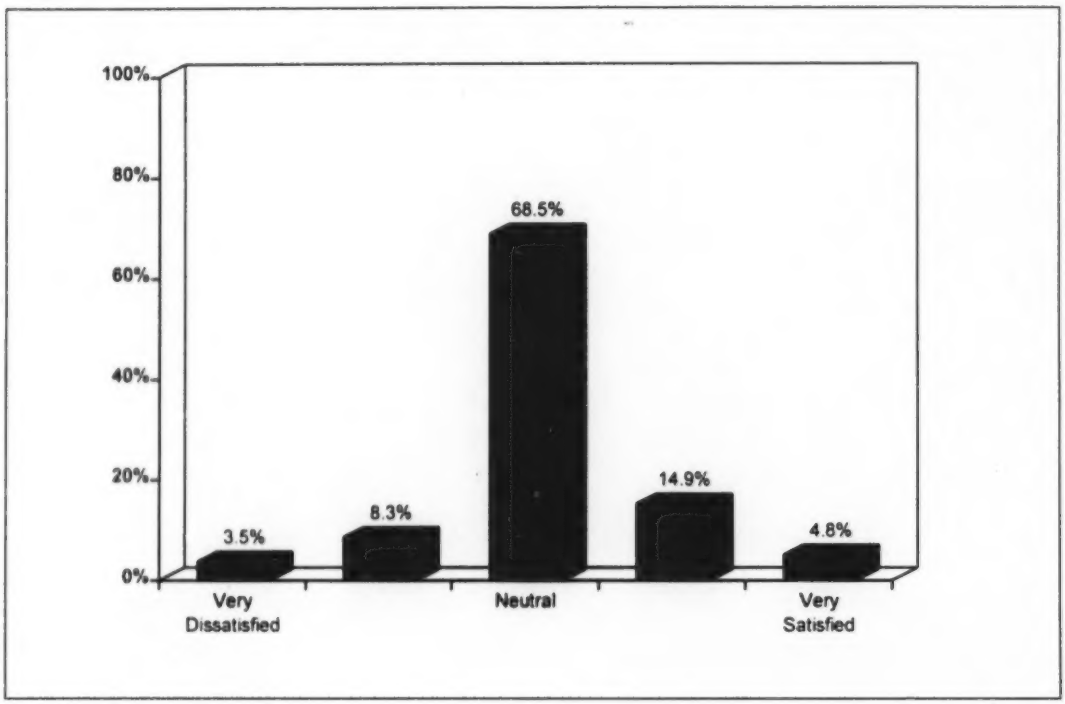
Table 13: Impact of Child Care Benefits on Personnel Outcomes

	Average Score (1-5)	Strongly Disagree		Neutral		Strongly Agree
Favorable morale for those using program (n=300)	3.63	3.7%	6.0%	31.3%	41.3%	17.7%
High rate of use among those eligible to use prgm. (n=303)	3.22	8.3	14.5	39.3	22.4	15.5
Favorable morale for program users' co-workers (n=297)	3.18	5.7	5.7	61.6	18.9	8.1
Higher productivity among emp's using program (n=300)	3.15	4.0	5.0	70.0	13.7	7.3
A decrease in turnover (n=298)	3.10	7.0	7.0	63.1	14.8	8.1
A decrease in absenteeism (n=300)	3.00	9.0	9.0	60.0	16.7	5.3

Satisfaction With Program Costs

Respondents were asked if they were satisfied with the costs of child care benefits compared to the benefits received. Sixty-nine percent of the respondents reported "neutral" ratings (see Figure 18). Twenty percent had favorable satisfaction ratings, and 11.8 percent had unfavorable satisfaction ratings. The average score was 3.09.

Figure 18: Percentage of Respondents Satisfied With Child Care Program Costs Compared to Benefits (n=304)



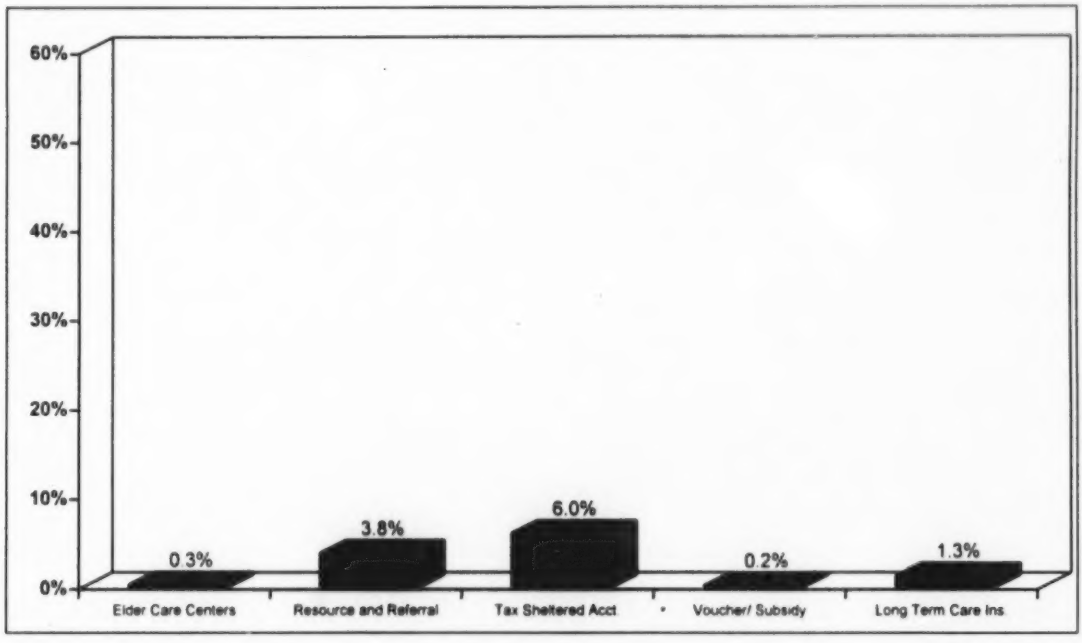
VI. FINDINGS: ELDER CARE BENEFITS

This section presents the results from the elder care section of the survey. Generally, the frequency of companies offering elder care benefits was much lower than those reported for child care benefits. Because of the small number of companies offering elder care benefits, the results in this section are reported for all companies combined. Other questions were dropped from the analysis since a small number of responses made the analysis meaningless.

Elder Care Benefits Offered

As shown in Figure 19, only 6.0 percent of all companies reported having elder care tax-sheltered spending accounts. Four percent of the companies offered resource and referral services, and 1.3 percent offered long-term care insurance. Less than 1 percent of the companies reported that they offer elder care center services or elder care vouchers/subsidies.

Figure 19: Percentage of Companies Offering Elder Care Benefits (n=1,331)



Impact of Elder Care Benefits

Respondents were asked to rate the impact of elder care policies on several personnel outcomes. Respondents could rate each statement on a scale of 1 to 5, where 1 was strongly disagree and 5 was strongly agree.

Aside from "favorable employee morale" with an average rating of 3.15, there was little support that elder care benefits caused any positive impact on personnel outcomes (see Table 14). Higher productivity (2.96), decrease in turnover (2.89), decrease in absenteeism (2.96) and high rate of usage (2.86) all had average ratings weighted toward the disagree end of the scale. "Favorable morale for program users' co-workers" had an average rating of 3.00.

Each personnel outcome had a high percentage of respondents who answered "neutral."

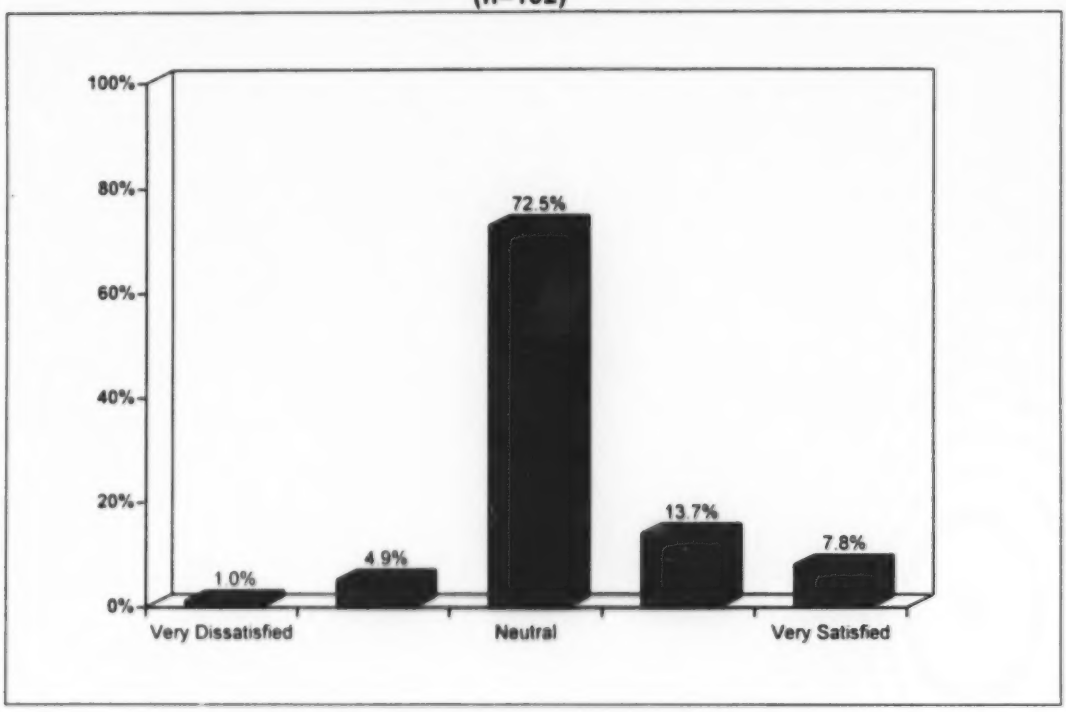
Table 14: Impact of Elder Care Benefits on Personnel Outcomes

	Average Score (1-5)	Strongly Disagree		Neutral		Strongly Agree
Higher productivity among emp's using program (n=102)	2.96	5.9%	3.9%	82.4%	3.9%	3.9%
A decrease in turnover (n=102)	2.89	5.9	6.9	82.4	2.0	2.9
A decrease in absenteeism (n=101)	2.96	5.9	4.0	80.2	7.9	2.0
Favorable morale for those using program (n=102)	3.15	3.9	2.9	72.5	15.7	4.9
Favorable morale for program users' co-workers (n=102)	3.00	3.9	3.9	83.3	5.9	2.9
High rate of use among those eligible to use prgm. (n=103)	2.86	9.7	7.8	72.8	5.8	3.9

Satisfaction With Program Costs

Overall, 21.5 percent of the respondents whose companies offer elder care benefits were satisfied with the costs of the program compared to its benefits. Six percent were not satisfied with the costs, while most respondents reported that they were neutral (72.5 percent). On a scale of 1 (very dissatisfied) to 5 (very satisfied), the average rating was 3.23.

Figure 20: Percentage of Respondents Satisfied With Elder Care Program Costs Compared to Benefits (n=102)

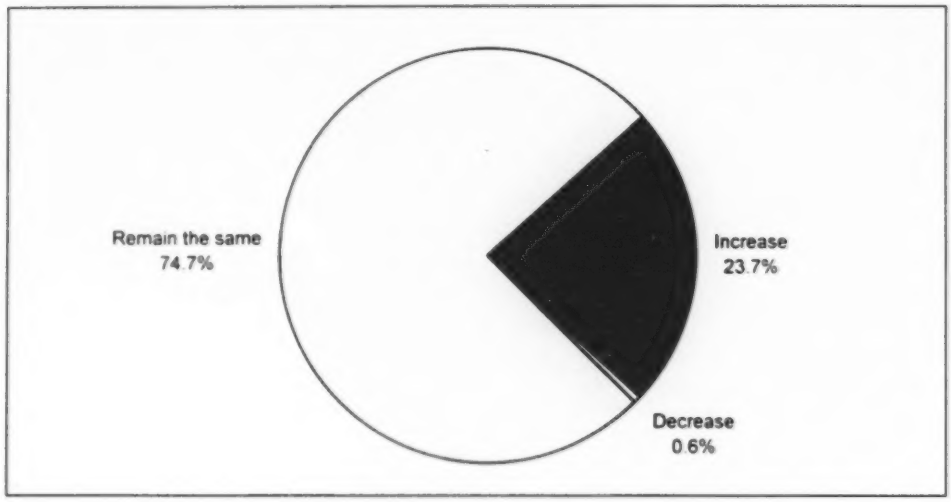


VII. FUTURE OF FAMILY-FRIENDLY POLICIES

Flexible Work Arrangements

All respondents were asked if flexible work arrangements in their companies would increase, decrease or remain the same in the future. Twenty-four percent of the respondents reported that these arrangements will increase, and less than 1 percent expected these arrangements to decrease (see Figure 21). Seventy-five percent expected the status of flexible work arrangements in their companies to remain the same.

Figure 21: Future Status of Flexible Work Arrangements (n=1,196)



As shown in Table 15, 39.9 percent of the respondents from companies with 500 or more employees expected their companies to increase these arrangements. This percentage is much larger than respondents from other company size categories which ranged from 16.7 percent to 25.8 percent expecting an increase in flexible work arrangements.

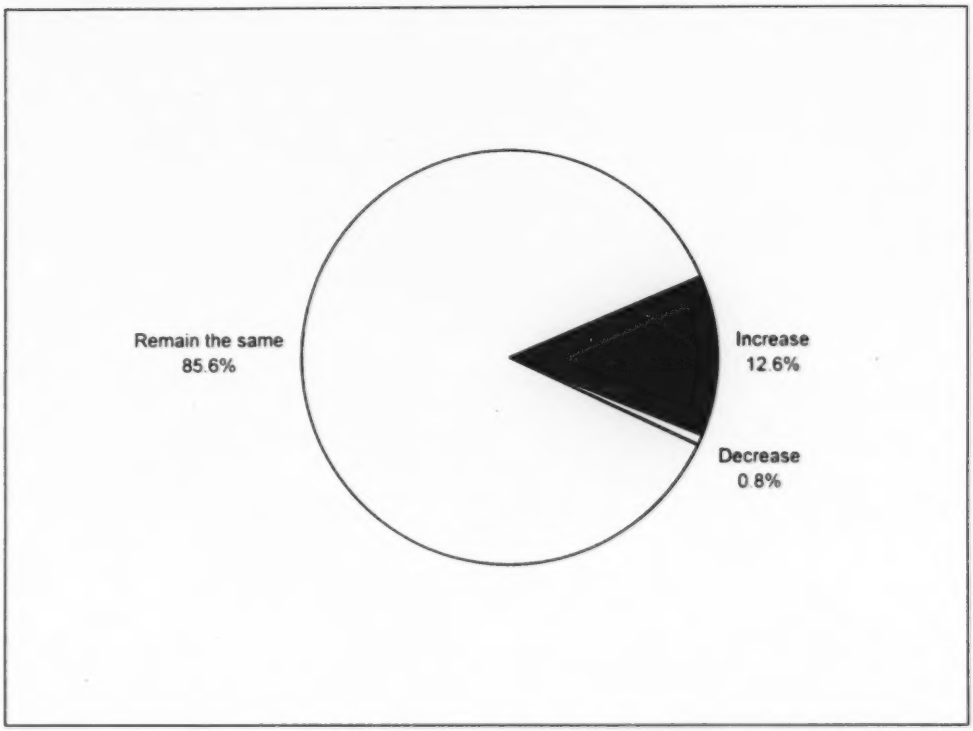
Table 15: Future Status of Flexible Work Arrangements by Company Size

	Increase	Remain the Same	Decrease
5 to 9 (n=161)	21.1	18.3	0.6
10 to 49 (n=383)	16.7	82.5	0.8
50 to 99 (n=229)	22.3	77.7	0.0
100 to 500 (n=240)	25.8	73.3	0.8
Over 500 (n=183)	39.9	59.6	0.5

Child Care Benefits

Respondents were also asked if child care benefits in their companies would increase, decrease or remain the same in the future. Thirteen percent of the respondents reported that child care benefits will increase, and less than 1 percent expected these benefits to decrease (see Figure 22). Eighty-five percent expected the status of child care benefits in their companies to remain the same.

Figure 21: Future Status of Child Care Benefits (n=1,186)



As shown in Table 16, 26.6 percent of the respondents from companies with 500 or more employees expected their companies to increase child care benefits. This percentage is larger than respondents from other company size categories which ranged from 6.8 percent to 13.9 percent expecting an increase in child care benefits.

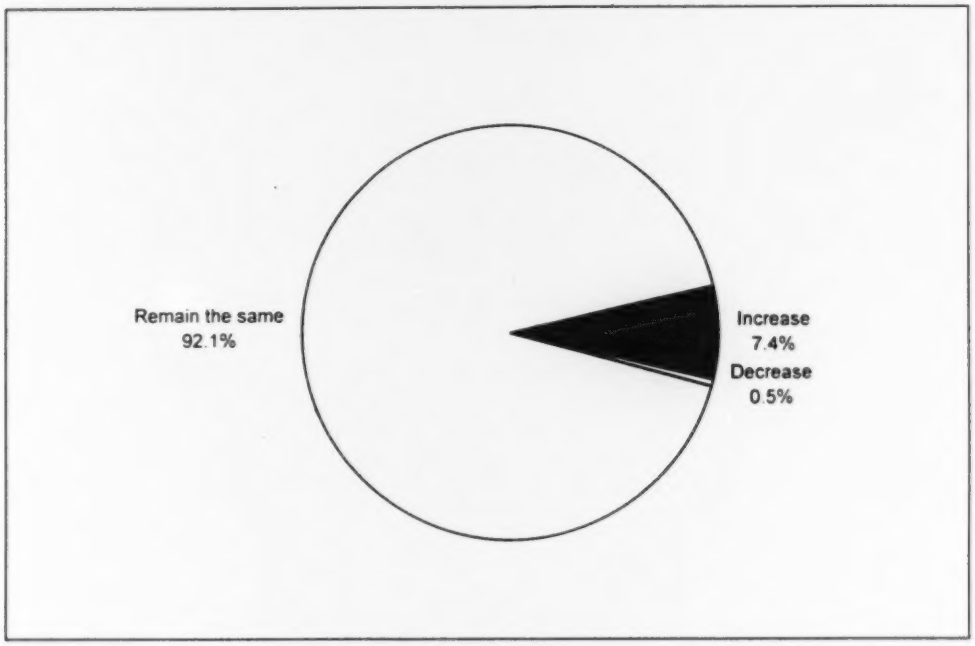
Table 16: Future Status of Child Care Benefits by Company Size

	Increase	Remain the Same	Decrease
5 to 9 (n=152)	11.2	88.2	0.7
10 to 49 (n=384)	6.8	91.9	1.3
50 to 99 (n=229)	10.5	88.2	1.3
100 to 500 (n=237)	13.9	86.1	0.0
Over 500 (n=184)	26.6	73.4	0.0

Elder Care Benefits

Respondents were asked if elder care benefits in their companies would increase, decrease or remain the same in the future. Seven percent of the respondents reported that elder care benefits will increase, and less than 1 percent expected these benefits to decrease (see Figure 23). Ninety-two percent expected the status of elder care benefits in their companies to remain the same.

Figure 23: Future Status of Elder Care Benefits (n=1,163)



As shown in Table 17, 21.3 percent of the respondents from companies with 500 or more employees expected their companies to increase elder care benefits. This percentage is larger than respondents from other company size categories which ranged from 2.4 percent to 8.2 percent expecting an increase in elder care benefits.

Table 17: Future Status of Elder Care Benefits by Company Size

	Increase	Remain the Same	Decrease
5 to 9 (n=150)	3.3	96.0	0.7
10 to 49 (n=377)	2.4	96.8	0.8
50 to 99 (n=221)	6.3	93.2	0.5
100 to 500 (n=232)	8.2	91.8	0.0
Over 500 (n=183)	21.3	78.1	0.5

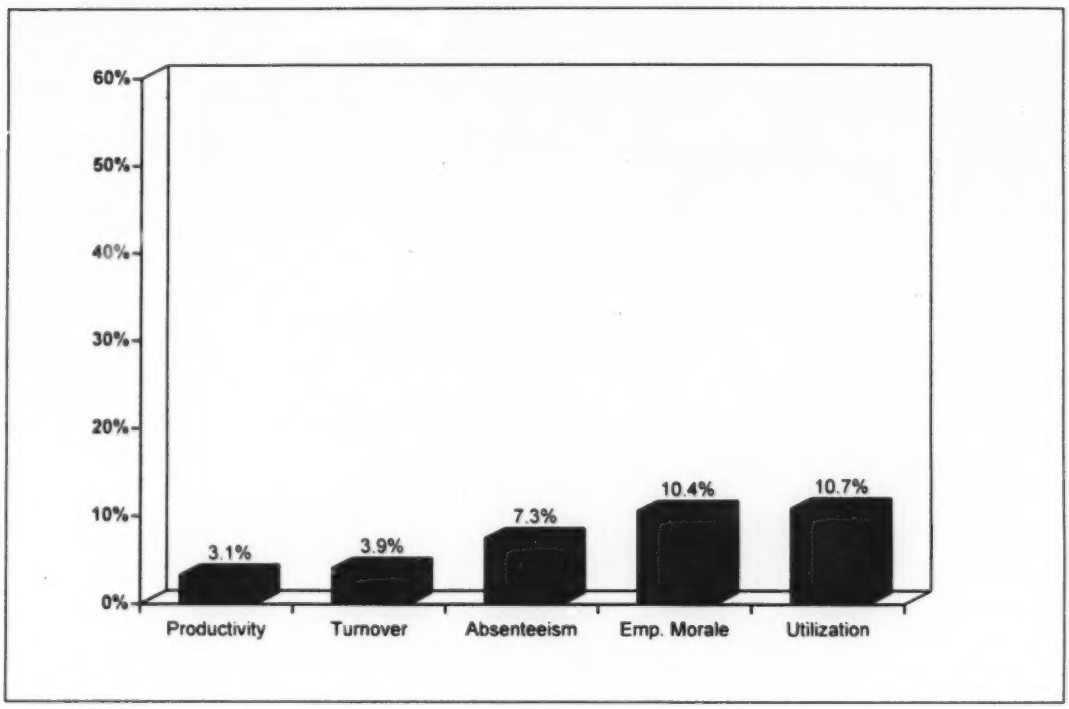
Measurement of Policy Impact

Those companies that have child care benefits (defined as benefits beyond parental leave or health insurance) or elder care benefits (which includes any of the elder care benefits listed) were asked if they systematically attempted to measure personnel outcomes.

As shown in Figure 24, The most commonly measured outcomes were employee utilization (10.7 percent) and employee morale (10.4 percent). Other outcomes measured were absenteeism (7.3 percent), turnover (3.9 percent) and productivity (3.1 percent).

Sixty-seven percent of the respondents reported that they do not attempt to measure any of these outcomes.

Figure 24: Percentage of Companies That Systematically Measure Impact of Child Care or Elder Care Benefits on Personnel Outcomes (n=356)



VIII. CONCLUSIONS

The results of this study indicate that child care benefits, and especially elder care benefits, are offered only by a minority of companies in the state of Texas. Company size is a factor, with larger companies being more likely to offer all benefits. Flexible work arrangements, however, exist with a greater rate of frequency than child care and elder care benefits. The expected outlook for the future indicates slight increases in these benefits, especially among larger companies.

Child Care Benefits

Aside from health insurance for employees' children, parental leave is perhaps the most common form of child care benefit. Ninety percent of the companies with 500 or more employees offer parental leave.

Tax-sheltered spending accounts are also offered by a large number of companies (53.2 percent of the companies with 500 or more employees to 3.7 percent of companies with 5 to 9 employees).

Other benefits are not as common, however. Resource and referral services were offered by 17.2 percent of the companies with 500 or more employees and fewer than 5 percent of any other company size category. Child care center services were offered by 7.4 percent of the companies with 500 or more employees and fewer than two percent of any other company size category.

The least common benefit was a subsidy or voucher for child care. Subsidies and vouchers were offered by 5.4 percent of the companies with 500 or more employees and 1 percent or less of any other company size category. For those companies that did offer child care benefits, the benefits were usually given to all employee levels.

Fifty-nine percent of the respondents indicated that child care benefits had a favorable impact among employee morale for those who use the benefits. Thirty-eight percent indicated a high rate of utilization among employees eligible to use the services. There was less support for other personnel outcomes such as higher productivity, and decreases in absenteeism and turnover. Twenty percent of the respondents are satisfied with the costs associated with these programs compared to the benefits received. Twelve percent are not satisfied with the costs.

Nearly 13 percent of the respondents expected that the scope and availability of child care benefits will increase in their companies in the future. Twenty-seven percent of the companies with 500 or more employees indicated an increase in child care benefits as well.

Elder Care Benefits

Very few companies offered elder benefits to their employees. The most common elder care benefit was a tax-sheltered spending account (6.0 percent of all companies). Resource and referral services were offered by 3.8 percent of the companies in the sample. One percent of the companies offered long-term care insurance, and less than 1 percent offered any type of elder care center services or elder care vouchers or subsidies.

Flexible Work Arrangements

Flextime appears to be the most common flexible work arrangement among all companies. Flextime is offered by 54.2 percent of the companies with 500 or more employees. Heath care (47.0 percent) and services (58.1 percent) industries have the greatest percentage of companies offering flextime.

Compressed work weeks are offered by 30.5 percent of the companies with 500 or more employees and 17.8 percent of the companies with 100 to 499 employees. Telecommuting is offered by 22.2 percent of the companies with 500 or more employees and 16.3 percent of the companies with 100 to 499 employees.

Job sharing is not as common. Nine percent of the companies with 500 or more employees offered job sharing. Less than 5 percent of the other company size categories offered job sharing.

The compressed work-week policies were the most likely to be formal (45.7 percent). Thirty percent of the companies with job sharing had a formal policy. Seventeen percent of the companies with telecommuting arrangements and 19.8 percent of the companies with flextime arrangements had formal policies.

Compared to child care and elder care policies, flexible work arrangements are expected to experience a greater increase in the future (23.7 percent indicating an increase). This is especially true in companies with 500 or more employees (39.9 percent), companies with 100 to 499 employees (25.8 percent) and companies with 50 to 99 employees (22.3 percent).